

1-1 By: Capriglione, Geren, Fallon H.B. No. 1295
 1-2 (Senate Sponsor - Hancock)
 1-3 (In the Senate - Received from the House May 12, 2015;
 1-4 May 12, 2015, read first time and referred to Committee on Business
 1-5 and Commerce; May 22, 2015, reported favorably by the following
 1-6 vote: Yeas 8, Nays 0; May 22, 2015, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13			X	
1-14	X			
1-15	X			
1-16	X			
1-17	X			

1-18 A BILL TO BE ENTITLED
 1-19 AN ACT

1-20 relating to the disclosure of interested parties by persons
 1-21 contracting with governmental entities and state agencies.

1-22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-23 SECTION 1. Subchapter Z, Chapter 51, Education Code, is
 1-24 amended by adding Section 51.954 to read as follows:

1-25 Sec. 51.954. DISCLOSURE OF SPONSORS OF RESEARCH IN PUBLIC
 1-26 COMMUNICATIONS. (a) In any public communication the content of
 1-27 which is based on the results of sponsored research, a faculty
 1-28 member or other employee or appointee of an institution of higher
 1-29 education who conducted or participated in conducting the research
 1-30 shall conspicuously disclose the identity of each sponsor of the
 1-31 research. This subsection does not require the disclosure of
 1-32 interested parties in a contract that is exempt from disclosure
 1-33 under Section 2252.908, Government Code.

1-34 (b) In this section:

1-35 (1) "Institution of higher education" has the meaning
 1-36 assigned by Section 61.003.

1-37 (2) "Public communication" means oral or written
 1-38 communication intended for public consumption or distribution,
 1-39 including:

1-40 (A) testimony in a public administrative,
 1-41 legislative, regulatory, or judicial proceeding;

1-42 (B) printed matter including a magazine,
 1-43 journal, newsletter, newspaper, pamphlet, or report; or

1-44 (C) posting of information on a website or
 1-45 similar Internet host for information.

1-46 (3) "Sponsor" means an entity that contracts for or
 1-47 provides money or materials for research.

1-48 (4) "Sponsored research" means research:

1-49 (A) that is conducted under a contract with or a
 1-50 grant from an individual or entity, other than the institution
 1-51 conducting the research, for the purpose of the research; and

1-52 (B) in which payments received or the value of
 1-53 materials received under that contract or grant, or under a
 1-54 combination of more than one such contract or grant, constitutes at
 1-55 least 50 percent of the cost of conducting the research.

1-56 SECTION 2. Subchapter Z, Chapter 2252, Government Code, is
 1-57 amended by adding Section 2252.908 to read as follows:

1-58 Sec. 2252.908. DISCLOSURE OF INTERESTED PARTIES. (a) In
 1-59 this section:

1-60 (1) "Business entity" means any entity recognized by
 1-61 law through which business is conducted, including a sole

2-1 proprietorship, partnership, or corporation.
2-2 (2) "Governmental entity" means a municipality,
2-3 county, public school district, or special-purpose district or
2-4 authority.
2-5 (3) "Interested party" means a person who has a
2-6 controlling interest in a business entity with whom a governmental
2-7 entity or state agency contracts or who actively participates in
2-8 facilitating the contract or negotiating the terms of the contract,
2-9 including a broker, intermediary, adviser, or attorney for the
2-10 business entity.
2-11 (4) "State agency" means a board, commission, office,
2-12 department, or other agency in the executive, judicial, or
2-13 legislative branch of state government. The term includes an
2-14 institution of higher education as defined by Section 61.003,
2-15 Education Code.
2-16 (b) This section applies only to a contract of a
2-17 governmental entity or state agency that:
2-18 (1) requires an action or vote by the governing body of
2-19 the entity or agency before the contract may be signed; or
2-20 (2) has a value of at least \$1 million.
2-21 (c) Notwithstanding Subsection (b), this section does not
2-22 apply to:
2-23 (1) a sponsored research contract of an institution of
2-24 higher education;
2-25 (2) an interagency contract of a state agency or an
2-26 institution of higher education; or
2-27 (3) a contract related to health and human services
2-28 if:
2-29 (A) the value of the contract cannot be
2-30 determined at the time the contract is executed; and
2-31 (B) any qualified vendor is eligible for the
2-32 contract.
2-33 (d) A governmental entity or state agency may not enter into
2-34 a contract described by Subsection (b) with a business entity
2-35 unless the business entity, in accordance with this section and
2-36 rules adopted under this section, submits a disclosure of
2-37 interested parties to the governmental entity or state agency at
2-38 the time the business entity submits the signed contract to the
2-39 governmental entity or state agency.
2-40 (e) The disclosure of interested parties must be submitted
2-41 on a form prescribed by the Texas Ethics Commission that includes:
2-42 (1) a list of each interested party for the contract of
2-43 which the contracting business entity is aware; and
2-44 (2) the signature of the authorized agent of the
2-45 contracting business entity, acknowledging that the disclosure is
2-46 made under oath and under penalty of perjury.
2-47 (f) Not later than the 30th day after the date the
2-48 governmental entity or state agency receives a disclosure of
2-49 interested parties required under this section, the governmental
2-50 entity or state agency shall submit a copy of the disclosure to the
2-51 Texas Ethics Commission.
2-52 (g) The Texas Ethics Commission shall adopt rules necessary
2-53 to implement this section, prescribe the disclosure of interested
2-54 parties form, and post a copy of the form on the commission's
2-55 Internet website.
2-56 SECTION 3. (a) Not later than December 1, 2015, the Texas
2-57 Ethics Commission shall adopt the rules, prescribe the disclosure
2-58 of interested parties form, and post the form on the commission's
2-59 Internet website as required by Section 2252.908, Government Code,
2-60 as added by this Act.
2-61 (b) Section 2252.908, Government Code, as added by this Act,
2-62 applies only to a contract entered into on or after January 1, 2016.
2-63 SECTION 4. This Act takes effect September 1, 2015.

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